

Indicator 42

Postsecondary Revenues

In academic year 2009–10, total revenues per full-time-equivalent (FTE) student were 1 percent less than in 2004–05 in public postsecondary degree-granting institutions (in constant 2010–11 dollars). Total revenues per student went from \$28,966 in 2004–05 to \$28,781 in 2009–10.

In academic year 2009–10, total revenue was \$309 billion (in constant 2010–11 dollars) at public postsecondary degree-granting institutions, \$172 billion at private nonprofit institutions, and \$25 billion at private for-profit institutions (see table A-42-1). The category of student tuition and fees typically accounts for a large percentage of total revenue and was the largest revenue source at both private nonprofit and for-profit institutions in 2009–10 (33 and 91 percent, respectively). At public institutions, the percentage of revenue from tuition and fees (18 percent) was the second largest to that from state appropriations (21 percent). Revenue from tuition and fees made up over half of all revenue for all private for-profit institutions and 2-year nonprofit institutions (see table A-42-2).

In 2009–10, total revenues per full-time-equivalent (FTE) student in public institutions were 1 percent less than in 2004–05 in public postsecondary institutions (see table A-42-1). Total revenues per student went from \$28,966 in 2004–05 to \$28,781 in 2009–10 (see table A-42-1). Total revenues were 14 percent higher in 2004–05 than in 2009–10 for public institutions, but FTE enrollment was 15 percent higher (9,348,081 in 2004–05 and 10,750,132 in 2009–10). Tuition and fees per student were 12 percent higher in 2009–10 than in 2004–05, and nonoperating revenue from government grants per student were 373 percent higher in 2009–10 than in 2004–05 (See table A-42-1). These increases were not enough to offset the drop in revenue per student from most other revenue sources.

In 2-year public postsecondary institutions, total revenue per student in 2009–10 was higher in constant 2010–11 dollars than in 2004–05 (from \$12,765 to \$13,107), but total revenue per student was less in 2009–10 than in 2004–05 in all other 2-year institutions and in all 4-year institutions (see table A-42-2). Revenue per student from

tuition and fees was nearly 15 percent higher for 4-year public institutions in 2009–10 than in 2004–05 and 9 percent higher in 4-year private nonprofit institutions in 2009–10 than in 2004–05. Tuition and fees per student increased by a small percentage in private 2-year institutions and 4-year for-profit institutions.

In 4-year private nonprofit institutions, decreases per student in 2009–10 compared to 2004–05 in investment returns and private gifts grants and contracts were larger than other revenue sources and resulted in a net loss in total revenue per student (from \$56,746 in 2004–05 compared to \$54,703 in 2009–10). In 4-year private for-profit institutions, decreases per student in 2009–10 compared to 2004–05 in other revenue (from \$135 to -\$375) and auxiliary enterprises (from \$420 to \$307) were the major factors leading to a drop in total revenue per student (from \$16,019 to \$15,679). In public 2-year institutions, declines in per-student operating revenue from government grants and contracts and nonoperating government appropriations were offset by increases in nonoperating revenue government grants.

Investment returns or investment income accounted for less than 5 percent of overall revenues for all postsecondary sectors except for nonprofit 4-year private schools. Investment returns or investment income fell for all postsecondary sectors between 2004–05 and 2009–10, except for-profit 4-year schools (where investment returns made up 0.2 percent or less of total revenues). The biggest decline in investment returns was seen for nonprofit 4-year schools, where investment returns fell by \$6 billion between these two time points.



Tables A-42-1 and A-42-2

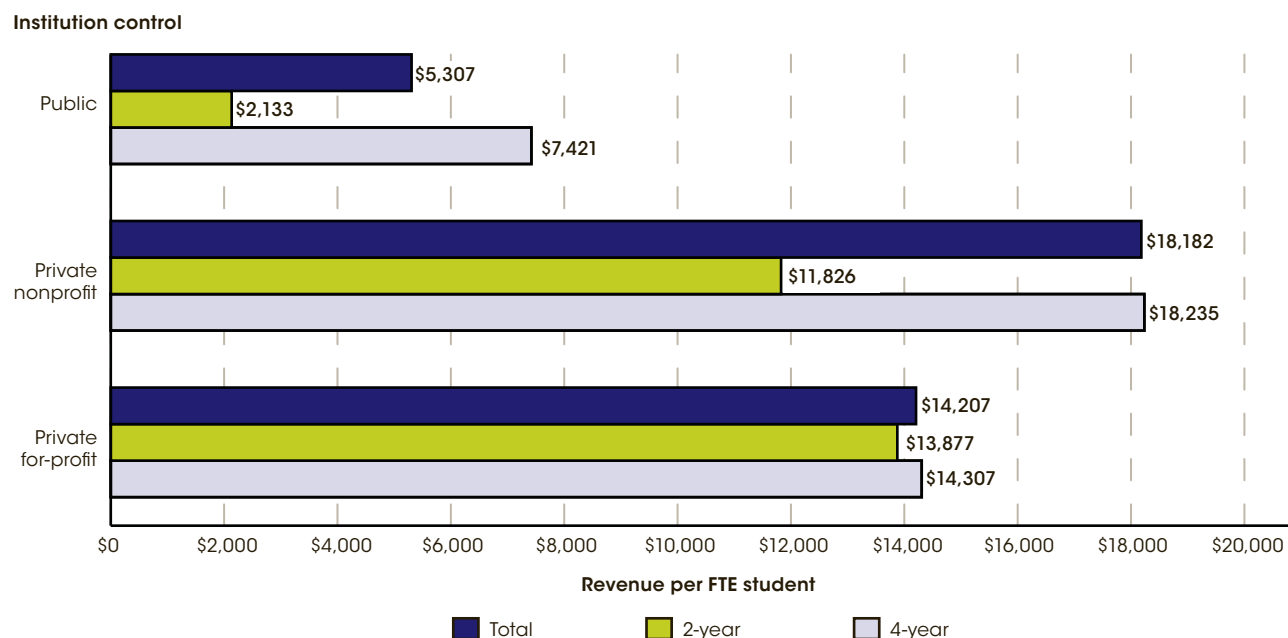
Glossary: Consumer Price Index (CPI), Full-time-equivalent (FTE) enrollment, Private institution, Public institution, Revenues, Tuition

Technical Notes

Auxiliary enterprises are essentially self-supporting operations, such as residence halls, that exist to provide a service to students, faculty, or staff and that charge a fee that is directly related to, although not necessarily equal to, the cost of the service. Operating revenue is revenue from providing specific goods and services. Nonoperating revenue is revenue that is not in exchange for providing specific goods and services. Government grants can be operating revenue or nonoperating revenue. Full-time-equivalent students include the count of full-time students plus the full-time equivalent of part-time students.

Public institutions use Governmental Accounting Standards Board (GASB) accounting standards, and private institutions use Financial Accounting Standards Board (FASB) accounting standards. Data are adjusted by the Consumer Price Index (CPI) to constant 2010–11 dollars. For more information on the CPI, see Appendix C – Finance. For more information on the Integrated Postsecondary Education Data System (IPEDS) and IPEDS classification of institutions, see Appendix B – Guide to Sources.

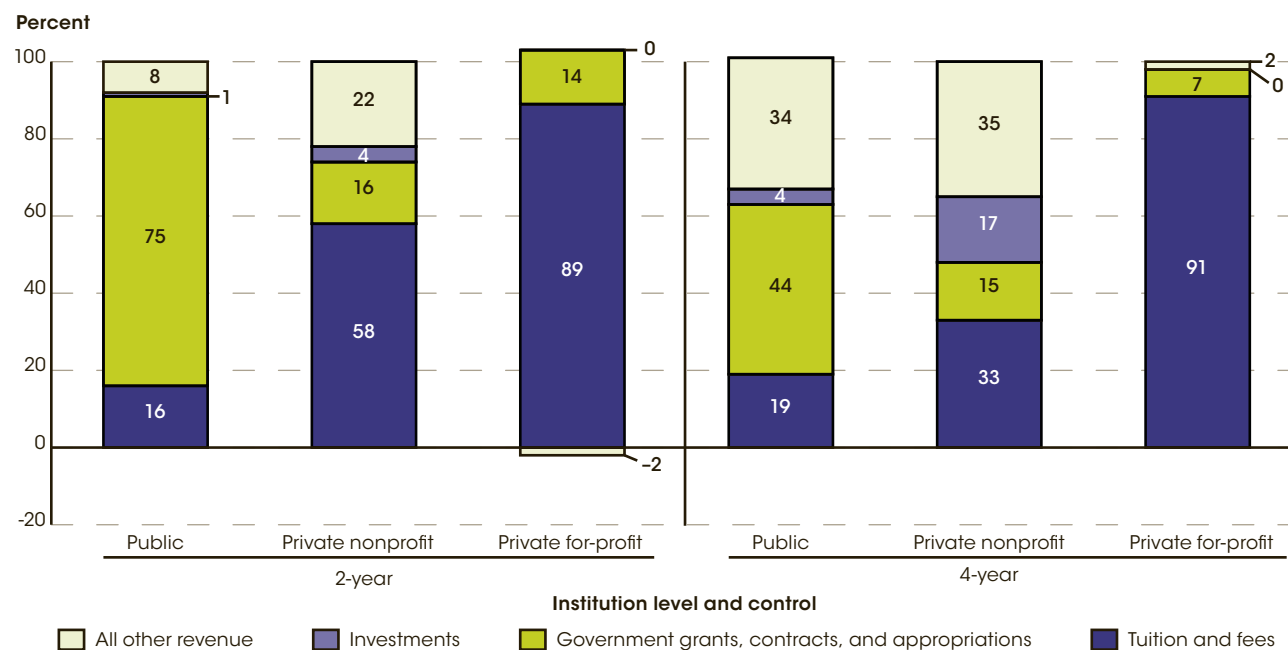
Figure 42-1. Revenue per full-time-equivalent (FTE) student from tuition and fees for postsecondary degree-granting institutions, by institution control and level: Academic year 2009-10
[In constant 2010-11 dollars]



NOTE: Full-time-equivalent (FTE) enrollment includes full-time students plus the full-time equivalent of part-time students. Data are adjusted by the Consumer Price Index (CPI) to constant 2010-11 dollars. For more information on the CPI, see Appendix C - Finance. For more information on the Integrated Postsecondary Education Data System (IPEDS), see Appendix B - Guide to Sources.

SOURCE: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Education Data System, Spring 2010, Enrollment component; and Spring 2011, Finance component.

Figure 42-2. Percentage distribution of total revenues at postsecondary degree-granting institutions, by institution level, institution control, and source of funds: Academic year 2009-10



NOTE: All other revenue includes gifts, grants, contracts, auxiliary enterprises, and other revenue. In public institutions, all other revenue also includes revenue from sales and service of educational activities. Government grants, contracts and appropriations includes revenue from federal, state, and local governments. Data are adjusted by the Consumer Price Index (CPI) to constant 2010-11 dollars. For more information on the CPI, see Appendix C - Finance. For more information on the Integrated Postsecondary Education Data System (IPEDS) and IPEDS classification of institutions, see Appendix B - Guide to Sources.

SOURCE: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Education Data System, Spring 2010, Enrollment component; and Spring 2011, Finance component.

Indicator 42

Postsecondary Revenues

Table A-42-1. Total and per full-time-equivalent (FTE) student revenue of postsecondary degree-granting institutions, by control of institution and source of funds: Academic years 2004-05 and 2009-10

	[Numbers in 2010-11 constant dollars]					
	Total 2004-05 revenue (in millions)	Total 2009-10 revenue (in millions)	Percentage distribution of total revenue		Revenue per FTE student ¹	
Control of institution and source of funds			2004-05	2009-10	2004-05	2009-10
Public institutions						
Total	\$270,772	\$309,396	100.0	100.0	\$28,966	\$28,781
Operating revenues	157,692	171,789	58.2	55.5	16,869	15,980
Tuition and fees ²	44,420	57,049	16.4	18.4	4,752	5,307
Grants and contracts	51,166	45,820	18.9	14.8	5,473	4,262
Federal ³	34,672	28,966	12.8	9.4	3,709	2,694
State	7,861	7,042	2.9	2.3	841	655
Local	8,633	9,813	3.2	3.2	923	913
Auxiliary enterprises	20,377	22,617	7.5	7.3	2,180	2,104
Hospitals	25,103	29,822	9.3	9.6	2,685	2,774
Other operating revenues ⁴	16,627	16,481	6.1	5.3	1,779	1,533
Nonoperating revenues	98,602	122,186	36.4	39.5	10,548	11,366
Federal appropriations	2,057	2,195	0.8	0.7	220	204
State appropriations	63,790	63,705	23.6	20.6	6,824	5,926
Local appropriations	8,863	10,154	3.3	3.3	948	945
Government grants	4,519	24,576	1.7	7.9	483	2,286
Gifts ⁵	5,311	5,994	2.0	1.9	568	558
Investment income	10,980	10,248	4.1	3.3	1,175	953
Other nonoperating revenues	3,083	5,314	1.1	1.7	330	494
Other revenues ⁶	14,479	15,421	5.3	5.0	1,549	1,434
Government capital appropriations	5,412	6,162	2.0	2.0	579	573
Private nonprofit institutions						
Total	161,594	172,063	100.0	100.0	56,315	54,425
Tuition and fees ²	47,728	57,483	29.5	33.4	16,633	18,182
Federal government ^{3,7}	22,713	23,372	14.1	13.6	7,915	7,393
State governments	1,695	1,756	1.0	1.0	591	555
Local governments	563	481	0.3	0.3	196	152
Private gifts, grants, and contracts ⁵	19,300	18,378	11.9	10.7	6,726	5,813
Investment return	35,088	28,994	21.7	16.9	12,228	9,171
Educational activities ⁸	4,146	4,918	2.6	2.9	1,445	1,556
Auxiliary enterprises ⁹	12,480	14,362	7.7	8.3	4,349	4,543
Hospitals	11,966	16,872	7.4	9.8	4,170	5,337
Other	5,917	5,447	3.7	3.2	2,062	1,723
Private for-profit institutions						
Total	12,659	25,179	100.0	100.0	16,063	15,675
Tuition and fees ²	11,030	22,822	87.1	90.6	13,996	14,207
Federal government ³	777	1,990	6.1	7.9	986	1,239
State and local governments	73	116	0.6	0.5	93	72
Private gifts, grants, and contracts	8	39	0.1	0.2	10	24
Investment return	28	41	0.2	0.2	36	25
Educational activities ⁸	267	444	2.1	1.8	339	277
Auxiliary enterprises ⁹	291	495	2.3	2.0	369	308
Other	184	-769	1.5	-3.1	233	-479

¹ Full-time-equivalent (FTE) enrollment includes full-time students plus the full-time equivalent of part-time students.

² Net of allowances and discounts.

³ Excludes Federal Direct Student Loans (FDSL). FDSL is included in tuition and fees.

⁴ Includes sales and service of educational activities.

⁵ Includes contracts and contributions from affiliated entities.

⁶ Other revenue includes capital appropriations, grants, and gifts; additions to permanent endowments; and other revenue.

⁷ Includes independent operations.

⁸ Revenue from educational activities for which tuition is not charged.

⁹ Revenue from auxiliary enterprise operations for which fees or charges were collected.

NOTE: Operating revenue is revenue received for providing a service or a product. Nonoperating revenues are for all activities. All sectors have operating and nonoperating revenue. Data are adjusted by the Consumer Price Index (CPI) to constant 2010-11 dollars. For more information on the CPI, see Appendix C - *Finance*. Detail may not sum to totals because of rounding. For more information on the Integrated Postsecondary Education Data System (IPEDS) and IPEDS classification of institutions, see Appendix B - *Guide to Sources*.

SOURCE: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Education Data System, Spring 2005 and Spring 2010, Enrollment component; and Spring 2006 through Spring 2011, Finance component.

This indicator continues on page 270.

Indicator 42

Postsecondary Revenues

Table A-42-2. Total and per full-time-equivalent (FTE) student revenue of postsecondary degree-granting institutions, by institution level, institution control, and source of funds: Academic years 2004-05 and 2009-10
[Numbers in 2010-11 constant dollars]

Control of institution and source of funds	Total revenue (in millions)				Percentage distribution of total revenue			
	2-year institutions		4-year institutions		2-year institutions		4-year institutions	
	2004-05	2009-10	2004-05	2009-10	2004-05	2009-10	2004-05	2009-10
Public institutions								
Total	\$47,325	\$56,329	\$223,448	\$253,067	100.0	100.0	100.0	100.0
Operating revenues	18,904	16,594	138,788	155,195	39.9	29.5	62.1	61.3
Tuition and fees ²	7,906	9,167	36,514	47,882	16.7	16.3	16.3	18.9
Grants and contracts	8,137	4,372	43,029	41,448	17.2	7.8	19.3	16.4
Federal ³	5,466	2,168	29,206	26,797	11.5	3.8	13.1	10.6
State	1,983	1,635	5,878	5,407	4.2	2.9	2.6	2.1
Local	688	569	7,945	9,243	1.5	1.0	3.6	3.7
Auxiliary enterprises	2,062	2,116	18,315	20,501	4.4	3.8	8.2	8.1
Hospitals	#	#	25,103	29,822	#	#	11.2	11.8
Other operating revenues ⁴	800	939	15,827	15,542	1.7	1.7	7.1	6.1
Nonoperating revenues	26,111	36,904	72,491	85,282	55.2	65.5	32.4	33.7
Federal appropriations	171	149	1,886	2,047	0.4	0.3	0.8	0.8
State appropriations	14,020	14,009	49,769	49,696	29.6	24.9	22.3	19.6
Local appropriations	8,519	9,713	344	440	18.0	17.2	0.2	0.2
Government grants	2,195	11,784	2,324	12,793	4.6	20.9	1.0	5.1
Gifts ⁵	319	235	4,991	5,759	0.7	0.4	2.2	2.3
Investment income	481	388	10,499	9,860	1.0	0.7	4.7	3.9
Other nonoperating revenues	405	626	2,677	4,688	0.9	1.1	1.2	1.9
Other revenues ⁶	2,310	2,831	12,169	12,590	4.9	5.0	5.4	5.0
Government capital appropriations	1,603	2,078	3,809	4,084	3.4	3.7	1.7	1.6
Private nonprofit institutions								
Total	717	530	160,877	171,533	100.0	100.0	100.0	100.0
Tuition and fees ²	402	305	47,326	57,178	56.1	57.6	29.4	33.3
Federal government ^{3,7}	89	72	22,624	23,300	12.4	13.5	14.1	13.6
State governments	27	13	1,668	1,743	3.7	2.5	1.0	1.0
Local governments	4	1	558	480	0.6	0.2	0.3	0.3
Private gifts, grants, and contracts ⁵	78	52	19,222	18,326	10.9	9.8	11.9	10.7
Investment return	26	21	35,061	28,973	3.7	4.0	21.8	16.9
Educational activities ⁸	16	8	4,130	4,911	2.2	1.4	2.6	2.9
Auxiliary enterprises ⁹	46	36	12,434	14,326	6.4	6.9	7.7	8.4
Hospitals	#	#	11,966	16,872	#	#	7.4	9.8
Other	28	22	5,888	5,425	4.0	4.1	3.7	3.2
Private for-profit institutions								
Total	3,790	5,816	8,869	19,363	100.0	100.0	100.0	100.0
Tuition and fees ²	3,116	5,154	7,914	17,668	82.2	88.6	89.2	91.2
Federal government ³	378	740	399	1,251	10.0	12.7	4.5	6.5
State and local governments	49	46	24	71	1.3	0.8	0.3	0.4
Private gifts, grants, and contracts	4	3	5	36	0.1	0.0	0.1	0.2
Investment return	8	4	20	37	0.2	0.1	0.2	0.2
Educational activities ⁸	67	60	200	384	1.8	1.0	2.3	2.0
Auxiliary enterprises ⁹	58	115	232	380	1.5	2.0	2.6	2.0
Other	109	-306	75	-463	2.9	-5.3	0.8	-2.4

See notes at end of table.

Table A-42-2. Total and per full-time-equivalent (FTE) student revenue of postsecondary degree-granting institutions, by institution level, institution control, and source of funds: Academic years 2004-05 and 2009-10—Continued

[Numbers in 2010-11 constant dollars]

Control of institution and source of funds	Revenue per FTE student ¹			
	2-year institutions		4-year institutions	
	2004-05	2009-10	2004-05	2009-10
Public institutions				
Total	\$12,765	\$13,107	\$39,614	\$39,221
Operating revenues	5,099	3,861	24,605	24,052
Tuition and fees ²	2,132	2,133	6,473	7,421
Grants and contracts	2,195	1,017	7,628	6,424
Federal ³	1,474	504	5,178	4,153
State	535	380	1,042	838
Local	186	132	1,408	1,433
Auxiliary enterprises	556	492	3,247	3,177
Hospitals	#	#	4,450	4,622
Other operating revenues ⁴	216	218	2,806	2,409
Nonoperating revenues	7,043	8,587	12,852	13,217
Federal appropriations	46	35	334	317
State appropriations	3,782	3,260	8,823	7,702
Local appropriations	2,298	2,260	61	68
Government grants	592	2,742	412	1,983
Gifts ⁵	86	55	885	893
Investment income	130	90	1,861	1,528
Other nonoperating revenues	109	146	475	727
Other revenues ⁶	623	659	2,157	1,951
Government capital appropriations	432	484	675	633
Private nonprofit institutions				
Total	20,826	20,543	56,746	54,703
Tuition and fees ²	11,680	11,826	16,693	18,235
Federal government ^{3,7}	2,585	2,779	7,980	7,431
State governments	779	519	588	556
Local governments	122	35	197	153
Private gifts, grants, and contracts ⁵	2,274	2,012	6,780	5,844
Investment return	769	823	12,367	9,240
Educational activities ⁸	458	293	1,457	1,566
Auxiliary enterprises ⁹	1,333	1,411	4,386	4,569
Hospitals	#	#	4,221	5,381
Other	826	845	2,077	1,730
Private for-profit institutions				
Total	16,167	15,659	16,019	15,679
Tuition and fees ²	13,294	13,877	14,294	14,307
Federal government ³	1,614	1,991	720	1,013
State and local governments	207	123	44	57
Private gifts, grants, and contracts	15	7	8	29
Investment return	35	11	36	30
Educational activities ⁸	286	162	362	311
Auxiliary enterprises ⁹	249	310	420	307
Other	466	-824	135	-375

Rounds to zero.

¹ Full-time-equivalent (FTE) enrollment includes full-time students plus the full-time equivalent of part-time students.

² Net of allowances and discounts.

³ Excludes Federal Direct Student Loans (FDSL). FDSL is reported in tuition and fees.

⁴ Includes sales and service of educational activities.

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⁶ Other revenue includes capital appropriations, grants, and gifts; additions to permanent endowments; and other revenue.

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